

## AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Major Cineplex Group Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 June 2013, the related consolidated and company income statements and the related consolidated and company statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and company statements of changes in shareholders' equity and cash flows for the six-month period then ended, and condensed notes to interim financial information of Major Cineplex Group Public Company Limited and its subsidiaries, and of Major Cineplex Group Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### *Scope of review*

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Pisit Thangtanagul  
Certified Public Accountant (Thailand) No. 4095  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
9 August 2013

**MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND COMPANY  
FINANCIAL INFORMATION  
(UNAUDITED)**

**30 JUNE 2013**

**Major Cineplex Group Public Company Limited**  
**Statement of Financial Position**  
**As at 30 June 2013**

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
Notes		2013	2012	2013	2012
<b>Assets</b>					
<b>Current assets</b>					
		324,149	480,733	229,666	331,373
	10	1,281,520	1,453,560	803,982	850,624
	24	-	-	461,275	462,148
	11	143,417	132,241	52,307	38,111
		63,796	38,426	-	-
	14	34,653	34,653	9,473	9,473
		203,887	163,255	33,573	26,826
	<b>Total current assets</b>	<b>2,051,422</b>	<b>2,302,868</b>	<b>1,590,276</b>	<b>1,718,555</b>
<b>Non-current assets</b>					
	9	399,638	372,406	399,638	372,406
		8,045	7,932	-	-
		12,736	12,782	-	-
		10,229	20,133	10,229	20,133
	22	-	-	2,438,267	2,351,200
	22	2,041,421	1,776,500	1,979,060	1,716,422
	22	279,262	235,204	255,490	216,793
	24	4,428	6,612	956,025	1,006,613
	12	6,144,465	5,332,126	2,815,995	2,432,849
		287,065	287,065	-	-
	12	373,391	366,907	47,539	49,475
	13	285	253	-	-
	14	503,861	520,938	164,140	168,876
		245,930	150,173	128,016	118,112
	<b>Total non-current assets</b>	<b>10,310,756</b>	<b>9,089,031</b>	<b>9,194,399</b>	<b>8,452,879</b>
	<b>Total assets</b>	<b>12,362,178</b>	<b>11,391,899</b>	<b>10,784,675</b>	<b>10,171,434</b>

Director \_\_\_\_\_ Director \_\_\_\_\_

The accompanying condensed notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 30 June 2013**

		Unit: Baht'000				
		Consolidated		Company		
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
		30 June	31 December	30 June	31 December	
Notes		2013	2012	2013	2012	
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Bank overdrafts and short-term						
	borrowings from financial institutions	16	541,165	801,468	-	200,000
	Trade and other payables	15	1,877,738	1,527,443	1,286,545	945,119
	Current portion of long-term borrowings	16	190,221	880,790	40,307	840,298
	Short-term loans from related parties	24	25,000	-	632,607	467,778
	Accrued income tax		183,949	126,244	143,599	93,896
	Other current liabilities		118,505	137,821	41,200	36,592
	<b>Total current liabilities</b>		<u>2,936,578</u>	<u>3,473,766</u>	<u>2,144,258</u>	<u>2,583,683</u>
<b>Non-current liabilities</b>						
	Long-term borrowings	16	2,420,470	1,169,696	1,901,242	1,121,402
	Deferred income tax liabilities	13	244,681	236,894	13,173	12,655
	Employee benefit obligations		20,028	18,870	11,097	10,432
	Other non-current liabilities		470,648	454,848	85,571	60,437
	<b>Total non-current liabilities</b>		<u>3,155,827</u>	<u>1,880,308</u>	<u>2,011,083</u>	<u>1,204,926</u>
	<b>Total liabilities</b>		<u>6,092,405</u>	<u>5,354,074</u>	<u>4,155,341</u>	<u>3,788,609</u>
<b>Shareholders' equity</b>						
	Share capital	17				
	Authorised share capital					
	Ordinary shares, 904,500,990 shares at par value of Baht 1 each		<u>904,501</u>	<u>904,501</u>	<u>904,501</u>	<u>904,501</u>
	Issued and fully paid-up share capital					
	Ordinary shares, 887,576,343 shares at paid-up of Baht 1 each		887,576	887,576	887,576	887,576
	Share premium	17	3,919,499	3,919,499	3,919,499	3,919,499
	Share premium - treasury shares		288,425	288,425	288,425	288,425
	Discount from business combination					
	under common control	22	(99,707)	(12,986)	-	-
	Warrants	18	13,678	9,191	13,217	8,900
	Retained earnings					
	Appropriated					
	Legal reserve		90,600	90,600	90,600	90,600
	Unappropriated		1,031,770	716,843	1,356,700	1,136,293
	Other components of shareholders' equity		73,317	51,532	73,317	51,532
	Equity attributable to owners of the parent		6,205,158	5,950,680	6,629,334	6,382,825
	Non-controlling interest	23	64,615	87,145	-	-
	<b>Total shareholders' equity</b>		<u>6,269,773</u>	<u>6,037,825</u>	<u>6,629,334</u>	<u>6,382,825</u>
	<b>Total liabilities and shareholders' equity</b>		<u>12,362,178</u>	<u>11,391,899</u>	<u>10,784,675</u>	<u>10,171,434</u>

The accompanying condensed notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Income Statements (Unaudited)**  
**For the three-month period ended 30 June 2013**

		Unit: Baht'000			
		Consolidated		Company	
Notes		2013	2012	2013	2012
<b>Revenues</b>	5				
Service income		1,962,297	1,340,939	1,230,339	756,557
Sales		526,318	447,627	328,627	191,208
<b>Total revenues</b>		<u>2,488,615</u>	<u>1,788,566</u>	<u>1,558,966</u>	<u>947,765</u>
<b>Costs</b>					
Cost of services		(1,319,662)	(909,154)	(893,600)	(561,574)
Cost of sales		(248,531)	(267,544)	(91,473)	(67,114)
<b>Total Costs</b>		<u>(1,568,193)</u>	<u>(1,176,698)</u>	<u>(985,073)</u>	<u>(628,688)</u>
<b>Gross profit</b>		920,422	611,868	573,893	319,077
Other operating income		94,663	69,453	157,489	131,524
Selling expenses		(129,506)	(127,577)	(48,639)	(56,041)
Administrative expenses		(354,486)	(287,820)	(194,345)	(168,306)
Finance costs		(33,202)	(34,090)	(26,851)	(26,298)
Share of result of investments - equity method		56,584	54,539	-	-
<b>Profit before income tax</b>		554,475	286,373	461,547	199,956
Income tax	7	(131,590)	(65,759)	(84,986)	(34,496)
<b>Profit for the period</b>		<u>422,885</u>	<u>220,614</u>	<u>376,561</u>	<u>165,460</u>
<b>Attributable profit to:</b>					
Shareholders of the parent		440,183	229,697	376,561	165,460
Non-controlling interests		(17,298)	(9,083)	-	-
		<u>422,885</u>	<u>220,614</u>	<u>376,561</u>	<u>165,460</u>
		<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
<b>Earnings per share</b>	8				
Basic earnings per share		0.50	0.26	0.42	0.19
Diluted earnings per share		0.49	0.26	0.42	0.19

The accompanying notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 June 2013**

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Profit for the period</b>	422,885	220,614	376,561	165,460
<b>Other comprehensive income:</b>				
Gain (loss) on remeasuring of available-for-sale investments, net of income tax of Baht 1.66 million	6,637	(3,127)	6,637	(3,127)
Other comprehensive income (expense) for the period, net of income tax	6,637	(3,127)	6,637	(3,127)
<b>Total comprehensive income for the period</b>	<b>429,522</b>	<b>217,487</b>	<b>383,198</b>	<b>162,333</b>
<b>Total comprehensive income (expense) attributable to:</b>				
Shareholders of the parent	446,820	226,570	383,198	162,333
Non-controlling interests	(17,298)	(9,083)	-	-
	<b>429,522</b>	<b>217,487</b>	<b>383,198</b>	<b>162,333</b>

The accompanying notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Income Statements (Unaudited)**  
**For the six-month period ended 30 June 2013**

		<b>Unit: Baht'000</b>			
		<b>Consolidated</b>		<b>Company</b>	
<b>Notes</b>		<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Revenues</b>	5				
Service income		3,249,266	2,544,855	1,993,541	1,443,875
Sales		910,574	910,526	510,643	344,150
<b>Total revenues</b>		<b>4,159,840</b>	<b>3,455,381</b>	<b>2,504,184</b>	<b>1,788,025</b>
<b>Costs</b>					
Cost of services		(2,180,068)	(1,756,036)	(1,434,859)	(1,080,533)
Cost of sales		(475,360)	(562,971)	(149,341)	(123,296)
<b>Total Costs</b>		<b>(2,655,428)</b>	<b>(2,319,007)</b>	<b>(1,584,200)</b>	<b>(1,203,829)</b>
<b>Gross profit</b>		1,504,412	1,136,374	919,984	584,196
Other operating income		276,738	203,847	382,402	316,878
Selling expenses		(234,987)	(232,604)	(83,470)	(83,512)
Administrative expenses		(650,108)	(563,866)	(371,438)	(311,192)
Finance costs		(64,406)	(69,304)	(53,322)	(53,979)
Share of result of investments - equity method	22	101,348	112,741	-	-
<b>Profit before income tax</b>		932,997	587,188	794,156	452,391
Income tax	7	(209,682)	(127,822)	(147,797)	(84,310)
<b>Profit for the period</b>		<b>723,315</b>	<b>459,366</b>	<b>646,359</b>	<b>368,081</b>
<b>Attributable profit to:</b>					
Shareholders of the parent		740,879	464,938	646,359	368,081
Non-controlling interests	23	(17,564)	(5,572)	-	-
		<b>723,315</b>	<b>459,366</b>	<b>646,359</b>	<b>368,081</b>
		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Earnings per share</b>	8				
Basic earnings per share		0.83	0.53	0.73	0.42
Diluted earnings per share		0.83	0.53	0.73	0.42

The accompanying notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the six-month period ended 30 June 2013**

	Note	Unit: Baht'000			
		Consolidated		Company	
		2013	2012	2013	2012
<b>Profit for the period</b>		723,315	459,366	646,359	368,081
<b>Other comprehensive income:</b>					
Gain on remeasuring of available-for-sale investments, net of income tax of Baht 5.45 million	9	21,785	22,658	21,785	22,658
Other comprehensive income for the period, net of income tax		21,785	22,658	21,785	22,658
<b>Total comprehensive income for the period</b>		<b>745,100</b>	<b>482,024</b>	<b>668,144</b>	<b>390,739</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Shareholders of the parent		762,664	487,596	668,144	390,739
Non-controlling interests		(17,564)	(5,572)	-	-
		<b>745,100</b>	<b>482,024</b>	<b>668,144</b>	<b>390,739</b>

The accompanying notes are an integral part of these interim financial information.



Major Cineplex Group Public Company Limited  
 Statements of Changes in Shareholders' Equity (Unaudited)  
 For the six-month period ended 30 June 2013

Unit: Baht'000

Consolidated											
Attributable to owners of the parent											
	Issued and paid-up share capital	Share premium	Share premium- Treasury share	Discount from business combination under common control	Warrants	Retained earnings		Other components of shareholders' equity Other comprehensive income	Total shareholders of the Company	Non- controlling interests	Total
						Appropriated Legal reserve	Unappropriated				
<b>Opening balance at 1 January 2012</b>	881,897	3,839,673	288,425	-	-	90,600	928,700	(129,755)	5,899,540	156,876	6,056,416
Retrospective adjustment from change in accounting policy (Note 4.1)	-	-	-	-	-	-	(418,270)	25,928	(392,342)	-	(392,342)
Opening balance after adjustment	881,897	3,839,673	288,425	-	-	90,600	510,430	(103,827)	5,507,198	156,876	5,664,074
<b>Changes in shareholders' equity for period</b>											
Increase during the period	2,622	36,860	-	-	2,675	-	-	-	42,157	-	42,157
Dividends payment	-	-	-	-	-	-	(343,937)	-	(343,937)	(10,871)	(354,808)
Total comprehensive income (expense) for the period	-	-	-	-	-	-	464,938	22,658	487,596	(5,572)	482,024
<b>Closing balance at 30 June 2012</b>	<u>884,519</u>	<u>3,876,533</u>	<u>288,425</u>	<u>-</u>	<u>2,675</u>	<u>90,600</u>	<u>631,431</u>	<u>(81,169)</u>	<u>5,693,014</u>	<u>140,433</u>	<u>5,833,447</u>
<b>Opening balance at 1 January 2013</b>	887,576	3,919,499	288,425	(12,986)	9,191	90,600	1,050,947	64,416	6,297,668	87,145	6,384,813
Retrospective adjustment from change in accounting policy (Note 4.1)	-	-	-	-	-	-	(334,104)	(12,884)	(346,988)	-	(346,988)
Opening balance after adjustment	887,576	3,919,499	288,425	(12,986)	9,191	90,600	716,843	51,532	5,950,680	87,145	6,037,825
<b>Changes in shareholders' equity for period</b>											
Warrants (Note 18)	-	-	-	-	4,487	-	-	-	4,487	-	4,487
Addition investment in subsidiary by purchasing shares from non-controlling interest (Notes 22 and 23)	-	-	-	(86,721)	-	-	-	-	(86,721)	(4,966)	(91,687)
Dividends payment (Note 19)	-	-	-	-	-	-	(425,952)	-	(425,952)	-	(425,952)
Total comprehensive income (expense) for the period	-	-	-	-	-	-	740,879	21,785	762,664	(17,564)	745,100
<b>Closing balance at 30 June 2013</b>	<u>887,576</u>	<u>3,919,499</u>	<u>288,425</u>	<u>(99,707)</u>	<u>13,678</u>	<u>90,600</u>	<u>1,031,770</u>	<u>73,317</u>	<u>6,205,158</u>	<u>64,615</u>	<u>6,269,773</u>

The accompanying notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited  
 Statements of Changes in Shareholders' Equity (Unaudited)  
 For the six-month period ended 30 June 2013

Unit: Baht'000

	Company							Total shareholders' equity
	Issued and paid-up share capital	Share premium	Share premium-Treasury share	Warrants	Retained earnings		Other components of shareholders' equity	
					Appropriated		Other comprehensive income	
					Legal reserve	Unappropriated	Available-for-sale investment	
<b>Opening balance at 1 January 2012</b>	881,897	3,839,673	288,425	-	90,600	1,074,926	(129,755)	6,045,766
Retrospective adjustment from change in accounting policy (Note 4.1)	-	-	-	-	-	(6,200)	25,928	19,728
Opening balance after adjustment	881,897	3,839,673	288,425	-	90,600	1,068,726	(103,827)	6,065,494
<b>Changes in shareholders' equity for period</b>								
Increase during the period	2,622	36,860	-	2,500	-	-	-	41,982
Dividends payment	-	-	-	-	-	(343,937)	-	(343,937)
Total comprehensive income for the period	-	-	-	-	-	368,081	22,658	390,739
<b>Closing balance at 30 June 2012</b>	<u>884,519</u>	<u>3,876,533</u>	<u>288,425</u>	<u>2,500</u>	<u>90,600</u>	<u>1,092,870</u>	<u>(81,169)</u>	<u>6,154,278</u>
<b>Opening balance at 1 January 2013</b>	887,576	3,919,499	288,425	8,900	90,600	1,136,064	64,416	6,395,480
Retrospective adjustment from change in accounting policy (Note 4.1)	-	-	-	-	-	229	(12,884)	(12,655)
Opening balance after adjustment	887,576	3,919,499	288,425	8,900	90,600	1,136,293	51,532	6,382,825
<b>Changes in shareholders' equity for period</b>								
Warrants (Note 18)	-	-	-	4,317	-	-	-	4,317
Dividends payment (Note 19)	-	-	-	-	-	(425,952)	-	(425,952)
Total comprehensive income for the period	-	-	-	-	-	646,359	21,785	668,144
<b>Closing balance at 30 June 2013</b>	<u>887,576</u>	<u>3,919,499</u>	<u>288,425</u>	<u>13,217</u>	<u>90,600</u>	<u>1,356,700</u>	<u>73,317</u>	<u>6,629,334</u>

The accompanying notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the six-month period ended 30 June 2013**

	Notes	Unit: Baht'000			
		Consolidated		Company	
		2013	2012	2013	2012
<b>Cash flows from operating activities</b>					
Cash generated from operations	21	1,278,720	947,395	767,518	513,141
Interest paid		(62,545)	(71,264)	(56,348)	(56,000)
Income tax paid		(149,669)	(104,362)	(103,022)	(62,233)
Net cash generated from operating activities		<u>1,066,506</u>	<u>771,769</u>	<u>608,148</u>	<u>394,908</u>
<b>Cash flows from investing activities</b>					
Proceeds from sales of short-term investments		-	53,223	-	53,223
Short-term loans to related parties	24	-	(1,800)	(548,014)	(764,472)
Proceeds from settlements short-term loans to related parties	24	-	1,500	548,887	735,533
Loans made to related parties	24	(16)	(920)	(240,016)	(693)
Proceeds from settlements of loans to related parties		2,196	3,476	236,846	92,013
Loans made to third parties		-	(7,000)	-	(7,000)
Proceeds from settlements of loans to third parties		5,857	5,322	5,857	5,322
Payment for investment from non-controlling interest	22	(91,687)	-	-	-
Payment for investment in subsidiaries	22	-	-	(97,687)	-
Proceeds from shares reduction of subsidiaries	22	-	-	10,620	-
Proceeds from disposal of investment in an associate	22	313,027	145,044	313,027	145,044
Payments for investment in associate	22	(337,660)	(12,039)	(337,660)	(12,039)
Payments for investment in joint ventures	22	(38,697)	(73,653)	(38,697)	(73,653)
Proceeds from acquisition of assets in subsidiary		7,514	-	-	-
Purchases of property, plant and equipment		(286,217)	(111,182)	(205,384)	(74,993)
Proceeds from disposals of property, plant and equipment		2,271	14	258	14
Purchases of intangible assets		(243,097)	(256,609)	(5,531)	(4,039)
Interest received		9,613	12,326	52,494	40,193
Dividends received from subsidiaries and associates	22	77,181	68,529	77,181	89,714
Net cash (used in) received from investing activities		<u>(579,715)</u>	<u>(173,769)</u>	<u>(227,819)</u>	<u>224,167</u>
<b>Cash flows from financing activities</b>					
Proceeds from short-term loans from related parties	24	25,000	-	643,946	374,630
Repayments of short-term loans from related parties	24	-	-	(479,117)	(355,057)
Proceeds (repayment) from bank overdrafts		(27,703)	(6,044)	-	1,421
Decrease in restricted cash		(113)	(1,886)	-	-
Repayments of short-term borrowings		595,500	1,224,700	500,000	1,100,000
Payments for short-term borrowings		(828,100)	(76,600)	(700,000)	-
Repayments of finance lease liabilities		(17,442)	(1,646)	(997)	(998)
Proceeds from long-term borrowings	16	78,901	39,200	-	-
Repayments of long-term borrowings	16	(43,550)	(25,465)	(20,000)	(20,000)
Proceeds from issuance of debenture	16	800,000	-	800,000	-
Repayments of debenture	16	(800,000)	(1,500,000)	(800,000)	(1,500,000)
Proceeds from exercised warrants		-	39,482	-	39,482
Dividends paid to shareholders	19	(425,868)	(343,894)	(425,868)	(343,894)
Dividends paid to non-controlling interests		-	(10,871)	-	-
Net cash used in financing activities		<u>(643,375)</u>	<u>(663,024)</u>	<u>(482,036)</u>	<u>(704,416)</u>

The accompanying notes are an integral part of these interim financial information.

**Major Cineplex Group Public Company Limited**  
**Statements of Cash Flows (Unaudited) (Cont'd)**  
**For the six-month period ended 30 June 2013**

	Unit: Baht'000			
	Consolidated		Company	
	2013	2012	2013	2012
<b>Net decrease in cash and cash equivalents</b>	(156,584)	(65,024)	(101,707)	(85,341)
Opening balance of cash and cash equivalents	480,733	460,800	331,373	358,313
Closing balance of cash and cash equivalents	<u>324,149</u>	<u>395,776</u>	<u>229,666</u>	<u>272,972</u>

**Non-cash transactions**

Significant non-cash transactions for the six-month periods ended 30 June 2013 and 2012:

Investment in property, plant and equipment, not yet paid	398,067	316,847	323,289	193,102
Purchases of film rights, not yet paid	17,813	44,924	-	-
Purchases of property, plant and equipment under finance leases	474,746	1,094	-	1,094
Disposals of equipment, plant and equipment, not yet received	269	-	614	-
Disposals of equipment by offsetting with amount due from related parties	12	17,346	-	7,160
Offsetting amounts due from related parties with loan to related parties	4	-	10,000	-
Offsetting loan to related parties to trade accounts payable from related parties	-	-	43,759	-
Dividend paid, not yet paid (Note 19)	84	43	84	43

The accompanying notes are an integral part of these interim financial information.

## **1 General information**

Major Cineplex Group Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

1839, 1839/1-6 Phaholyothin Road, Ladyao, Jatujak, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

These group interim consolidated and company financial information have been authorised for issue by the Board of Directors on 9 August 2013.

These group interim consolidated and company financial information have been reviewed, not audited.

## **2 Basis of preparation**

All amounts shown in the financial information and its notes are in thousands Thai Baht unless otherwise stated.

These interim consolidated and company financial information are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e. statement of financial position, income statement, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34 “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

An English version of the interim consolidated and company financial information have been prepared from the interim financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

### **3 Summary of significant accounting policies**

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2012 except as described below.

The new/revised accounting standards, and related interpretation which are effective on 1 January 2013 are as follows:

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosures of Government Assistance
TAS 21 (Revised 2009)	The Effect of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

New accounting policies resulting from new/revised accounting standards and related interpretations that have material impacts to the Group are disclosed in Note 4.

New interpretations which are effective on 1 January 2014 are as follows:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TSIC 29	Service Concession Arrangements: Disclosure

The new interpretations that are relevant to the Group are TFRIC 1 and TFRIC 13 as detailed below.

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. The Group has applied this interpretation.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The Group has applied this interpretation.

New accounting standard which is effective on 1 January 2016 and is not relevant to the Group:

TFRS 4	Insurance Contracts
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Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

#### 4 New accounting standards

##### 4.1 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Group restated prior year financial statements due to a change in accounting policy of income taxes.

The effects of change in accounting policy of the above to the statements of financial position of the Group as at 1 January 2012 and 31 December 2012 are as follows;

	<b>Unit: Baht'000</b>					
	<b>Consolidated</b>					
	<b>At 1 January 2012</b>			<b>At 31 December 2012</b>		
	<b>Originally stated</b>	<b>Adjustments</b>	<b>Restated</b>	<b>Originally stated</b>	<b>Adjustments</b>	<b>Restated</b>
Increase in deferred tax assets	-	19,923	19,923	-	253	253
Increase in deferred tax liabilities	-	(221,249)	(221,249)	-	(236,894)	(236,894)
Decrease in investment in associates and interest in joint ventures	2,090,396	(191,016)	1,899,380	2,122,050	(110,346)	2,011,704
Decrease in retained earnings	928,700	(418,270)	510,430	1,050,947	(334,104)	716,843
Decrease (increase) in other components of shareholders' equity	(129,755)	25,928	(103,827)	64,416	(12,884)	51,532

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

**4 New accounting standards (Cont'd)**

**4.1 Current and deferred income taxes (Cont'd)**

**Unit: Baht'000**

	<b>Company</b>					
	<b>At 1 January 2012</b>			<b>At 31 December 2012</b>		
	<b>Originally stated</b>	<b>Adjustments</b>	<b>Restated</b>	<b>Originally stated</b>	<b>Adjustments</b>	<b>Restated</b>
Increase in deferred tax assets	-	19,728	19,728	-	-	-
Increase in deferred tax liabilities	-	-	-	-	(12,655)	(12,655)
(Decrease) increase in retained earnings	1,074,926	(6,200)	1,068,726	1,136,064	229	1,136,293
Decrease in other components of shareholders' equity	(129,755)	25,928	(103,827)	64,416	(12,884)	51,532

The effects to the income statements and statements of comprehensive income for the six-month period ended 30 June 2012 are as follows;

**Unit: Baht'000**

	<b>Consolidated</b>			<b>Company</b>		
	<b>Originally stated</b>	<b>Adjustments</b>	<b>Restated</b>	<b>Originally stated</b>	<b>Adjustments</b>	<b>Restated</b>
Increase in share of result of investments - equity method	100,809	11,932	112,741	-	-	-
Decrease in income tax	129,833	(2,011)	127,822	88,265	(3,955)	84,310
Increase in profit for the period	445,423	13,943	459,366	364,126	3,955	368,081
Decrease in other comprehensive income for the period	28,293	(5,635)	22,658	28,293	(5,635)	22,658
Basic earnings per share (Baht)	0.51	0.02	0.53	0.41	0.01	0.42
Diluted earnings per share (Baht)	0.50	0.03	0.53	0.41	0.01	0.42

**4.2 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as chief executive officer that makes strategic decisions.



**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

**5 Segment information**

Financial information by business segments is as follows:

	Consolidated					Unit: Million Baht	
	Cinema business	Advertising business	Bowling and Karaoke business	Rental and services	VCD/DVD and film rights distribution	Film production	Consolidated
<b>For the three-month period ended 30 June 2012</b>							
Revenues							
Gross segment revenues	1,216	175	149	154	197	37	1,928
Inter-segment revenues	(62)	(5)	(22)	(25)	(12)	(13)	(139)
Net revenues	<u>1,154</u>	<u>170</u>	<u>127</u>	<u>129</u>	<u>185</u>	<u>24</u>	<u>1,789</u>
Segment results	<u>143</u>	<u>117</u>	<u>7</u>	<u>10</u>	<u>(21)</u>	<u>(9)</u>	<u>247</u>
Loss from selling of investments							27
Unallocated costs							(8)
Operating profit							<u>266</u>
<b>For the three-month period ended 30 June 2013</b>							
Revenues							
Gross segment revenues	1,994	222	128	151	145	61	2,701
Inter-segment revenues	(84)	(1)	(18)	(30)	(55)	(24)	(212)
Net revenues	<u>1,910</u>	<u>221</u>	<u>110</u>	<u>121</u>	<u>90</u>	<u>37</u>	<u>2,489</u>
Segment results	<u>434</u>	<u>163</u>	<u>8</u>	<u>9</u>	<u>(81)</u>	<u>(40)</u>	<u>493</u>
Gain from selling of investments							65
Unallocated costs							(27)
Operating profit							<u>531</u>

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

**5 Segment information (Cont'd)**

Financial information by business segments is as follows: (Cont'd)

	Consolidated					Unit: Million Baht	
	Cinema business	Advertising business	Bowling and Karaoke business	Rental and services	VCD/DVD and film rights distribution	Film production	Consolidated
<b>For the six-month period ended 30 June 2012</b>							
Revenues							
Gross segment revenues	2,305	304	280	305	432	122	3,748
Inter-segment revenues	(123)	(10)	(42)	(47)	(22)	(48)	(292)
Net revenues	<u>2,182</u>	<u>294</u>	<u>238</u>	<u>258</u>	<u>410</u>	<u>74</u>	<u>3,456</u>
Segment results	<u>270</u>	<u>187</u>	<u>(13)</u>	<u>28</u>	<u>(26)</u>	<u>(13)</u>	433
Compensation income							31
Gain from selling of investments							90
Unallocated costs							(10)
Operating profit							<u>544</u>
<b>For the six-month period ended 30 June 2013</b>							
Revenues							
Gross segment revenues	3,197	379	251	299	342	104	4,572
Inter-segment revenues	(149)	(1)	(37)	(55)	(127)	(43)	(412)
Net revenues	<u>3,048</u>	<u>378</u>	<u>214</u>	<u>244</u>	<u>215</u>	<u>61</u>	<u>4,160</u>
Segment results	<u>620</u>	<u>271</u>	<u>(7)</u>	<u>22</u>	<u>(123)</u>	<u>(56)</u>	727
Gain from selling of investments							221
Unallocated costs							(52)
Operating profit							<u>896</u>

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

**6 Operating profit**

The following items of unusual nature, size or incidence have been charged to the operating profit during the interim period.

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
<b>For the three-month period ended</b>				
Impairment of assets (reversal)	1,992	(7,294)	-	-
Loss from written-off of property and equipment	2,405	40,450	384	26,947
Doubtful debts and bad debts (reversal)	26,211	6,043	(38)	-
Loss on inventory	-	7,617	-	-
Loss on goods returns (reversal)	757	(7,469)	-	-

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
<b>For the six-month period ended</b>				
Impairment of assets	4,760	3,728	-	-
Loss from written-off of property and equipment (Note 12)	15,179	40,450	734	26,947
Doubtful debts and bad debts (reversal)	25,452	4,305	(38)	580
Loss on inventory (Note 11)	1,204	10,534	-	-
Loss on goods returns (reversal)	(92)	(11,848)	-	-

**7 Income tax**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
<b>For the three-month period ended</b>				
Current tax	128,765	67,811	89,632	38,271
Deferred income tax	2,825	(2,052)	(4,646)	(3,775)
Income tax	131,590	65,759	84,986	34,496

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
<b>For the six-month period ended</b>				
Current tax	207,373	129,833	152,725	88,265
Deferred income tax (Note 13)	2,309	(2,011)	(4,928)	(3,955)
Income tax	209,682	127,822	147,797	84,310

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

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**8 Earnings per share**

Earnings per share attributable to shareholders of the parent is calculated by dividing the profit attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the period.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	<b>Unit: Shares'000</b>			
	<b>Consolidated and Company</b>			
	<b>For the three-month period ended</b>		<b>For the six-month period ended</b>	
	<b>30 June 2013</b>	<b>30 June 2012</b>	<b>30 June 2013</b>	<b>30 June 2012</b>
Number of weighted average shares:				
- basic	887,576	882,791	887,576	882,344
- diluted	890,000	886,624	889,771	884,622

**9 Investments**

	<b>Unit: Baht'000</b>	
	<b>Consolidated and Company</b>	
	<b>30 June 2013</b>	<b>31 December 2012</b>
Current	-	-
Non-current	399,638	372,406
	<u>399,638</u>	<u>372,406</u>

**9.1) Non-current**

Movements of long-term investment are as follows:

	<b>Unit: Baht'000</b>
	<b>Consolidated and Company</b>
	<b>30 June 2013</b>
Opening book value	372,406
Change in fair value of investment (before income tax)	<u>27,232</u>
Closing book value	<u>399,638</u>

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

**10 Trade and other receivables, net**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Third parties				
- Trade accounts receivable	837,333	828,289	119,553	65,915
- Unbilled revenue	225,125	147,506	41,560	36,204
Total	1,062,458	975,795	161,113	102,119
<u>Less</u> Allowance for doubtful accounts	(82,003)	(50,437)	-	-
Trade accounts receivable - Third parties, net	980,455	925,358	161,113	102,119
Trade accounts receivable				
- Related parties (Note 24)	38,315	8,861	153,874	132,622
Amounts due from related parties (Note 24)	41,037	43,904	315,849	280,200
Other accounts receivable	143,872	397,502	117,111	283,912
Prepaid expenses	77,841	77,935	56,035	51,771
Trade account and other receivables	<u>1,281,520</u>	<u>1,453,560</u>	<u>803,982</u>	<u>850,624</u>

Outstanding trade accounts receivable can be analysed as follows:

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Unbilled revenue	225,125	147,506	41,560	36,204
Trade accounts receivable				
Current	275,043	392,684	27,959	32,465
Overdue less than 3 months	240,591	220,244	90,111	31,110
3 - 6 months	87,036	75,603	483	545
Over 6 months	234,663	139,758	1,000	1,795
Total	1,062,458	975,795	161,113	102,119
<u>Less</u> Allowance for doubtful accounts	(82,003)	(50,437)	-	-
Trade accounts receivable, net	<u>980,455</u>	<u>925,358</u>	<u>161,113</u>	<u>102,119</u>

**11 Inventories, net**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Foods and beverages	62,898	48,595	45,858	33,104
VCD and DVD, net of allowance	66,467	71,268	-	-
Supplies and others	13,445	11,650	6,449	5,007
Goods in transit	607	728	-	-
Inventories, net	<u>143,417</u>	<u>132,241</u>	<u>52,307</u>	<u>38,111</u>

The allowance for obsolescence amounting to Baht 1.20 million was recognised in the consolidated income statement for the six-month period ended 30 June 2013 (30 June 2012: amounting to Baht 10.53 million).

**Major Cineplex Group Public Company Limited**  
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**For the six-month period ended 30 June 2013**

**12 Property, plant, equipment and intangible assets, net**

**Unit: Baht'000**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Property, plant and equipment, net</b>	<b>Intangible assets, net</b>	<b>Property, plant and equipment, net</b>	<b>Intangible assets, net</b>
<b>For the six-month period ended 30 June 2013</b>				
Opening net book amount	5,332,126	366,907	2,432,849	49,475
Additions	1,114,265	225,284	515,237	5,531
Disposals	(1,913)	-	(734)	-
Write-off	(15,179)	-	(734)	-
Depreciation/amortisation	(286,867)	(212,008)	(130,623)	(7,467)
Impairment of asset	2,033	(6,792)	-	-
Closing net book amount	<u>6,144,465</u>	<u>373,391</u>	<u>2,815,995</u>	<u>47,539</u>

Capital expenditure contracted for at the statement of financial position date, but not recognised in the financial statements is presented as follows:

	<b>Currency</b>	<b>Consolidated</b>		<b>Company</b>	
		<b>30 June 2013</b>	<b>31 December 2012</b>	<b>30 June 2013</b>	<b>31 December 2012</b>
		<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
Property, plant and equipment	THB	75,253	67,286	59,201	45,207
Intangible assets	THB	14,500	43,500	-	-
	USD	5,331	6,671	-	-
	EURO	48	62	-	-
Total	THB	89,753	110,786	59,201	45,207
	USD	5,331	6,671	-	-
	EURO	48	62	-	-
Total in Thai Baht		<u>258,419</u>	<u>318,650</u>	<u>59,201</u>	<u>45,207</u>

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

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**13 Deferred income taxes**

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 20% for 2013 onwards (2012: 23%). The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>			
	<b>31 December 2012</b>	<b>Credit (debit) to income statement</b>	<b>Credit to other comprehensive income</b>	<b>30 June 2013</b>
<b>Deferred income tax assets</b>				
Impairment loss of investment in subsidiary	600	-	-	600
Depreciation	2,295	(542)	-	1,753
Leased assets	40,009	(2,809)	-	37,200
Prepaid rents	422	(12)	-	410
Finance lease liabilities	4,805	85,807	-	90,612
Employee benefit obligations	2,914	190	-	3,104
Provision for customers loyalty program	3,374	(320)	-	3,054
Prepaid income	6,066	6,419	-	12,485
	<u>60,485</u>	<u>88,733</u>	<u>-</u>	<u>149,218</u>
<b>Deferred income tax liabilities</b>				
Available-for-sale investment	(12,883)	-	(5,446)	(18,329)
Investment in associates and interest in joint ventures	(12,318)	(1,560)	-	(13,878)
Amortisation	(675)	10	-	(665)
Finance lease receivables	(5,188)	103	-	(5,085)
Depreciation	(32,119)	(95,918)	-	(128,037)
Prepaid rental and services income	(233,943)	6,323	-	(227,620)
	<u>(297,126)</u>	<u>(91,042)</u>	<u>(5,446)</u>	<u>(393,614)</u>
Deferred income taxes, net	<u>(236,641)</u>	<u>(2,309)</u>	<u>(5,446)</u>	<u>(244,396)</u>

**Major Cineplex Group Public Company Limited**  
**Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)**  
**For the six-month period ended 30 June 2013**

**13 Deferred income taxes (Cont'd)**

	Unit: Baht'000			
	Company			30 June 2013
	31 December 2012	Credit (debit) to income statement	Credit to other comprehensive income	
<b>Deferred income tax assets</b>				
Impairment loss of investment in subsidiary	600	-	-	600
Depreciation	769	(64)	-	705
Finance lease liabilities	4,084	23	-	4,107
Employee benefit obligations	2,086	133	-	2,219
Provision for customers loyalty program	3,374	(320)	-	3,054
Prepaid income	6,067	6,418	-	12,485
	<u>16,980</u>	<u>6,190</u>	<u>-</u>	<u>23,170</u>
<b>Deferred income tax liabilities</b>				
Available-for-sale investment	(12,883)	-	(5,446)	(18,329)
Amortisation	(407)	(57)	-	(464)
Depreciation	(16,345)	(1,205)	-	(17,550)
	<u>(29,635)</u>	<u>(1,262)</u>	<u>(5,446)</u>	<u>(36,343)</u>
Deferred income taxes, net	<u>(12,655)</u>	<u>4,928</u>	<u>(5,446)</u>	<u>(13,173)</u>

The presentation in the statements of financial position are as follows:

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Deferred income tax assets	285	253	-	-
Deferred income tax liabilities	(244,681)	(236,894)	(13,173)	(12,655)
Deferred income taxes, net	<u>(244,396)</u>	<u>(236,641)</u>	<u>(13,173)</u>	<u>(12,655)</u>

**14 Prepaid rents**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Current portion	34,653	34,653	9,473	9,473
Long-term portion	503,861	520,938	164,140	168,876
Total	<u>538,514</u>	<u>555,591</u>	<u>173,613</u>	<u>178,349</u>

	Unit: Baht'000	
	Consolidated	Company
<b>For the six-month period ended 30 June 2013</b>		
Opening net book amount	555,591	178,349
Amortisation	(17,077)	(4,736)
Closing net book amount	<u>538,514</u>	<u>173,613</u>



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**15 Trade and other payables**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Trade account and note payables	943,921	642,280	750,858	443,586
Amounts due to related parties (Note 24)	38,671	35,392	91,287	114,535
Other payables	283,701	275,803	167,586	128,694
Accrued expenses	337,997	334,916	122,745	120,694
Prepaid rental and service income	273,448	239,052	154,069	137,610
<b>Trade account and other payables</b>	<b>1,877,738</b>	<b>1,527,443</b>	<b>1,286,545</b>	<b>945,119</b>

Prepaid rental and service income included cash advanced from customers amounting to Baht 53.35 million (31 December 2012: Baht 58.41 million), which received from selling of cash cards, being deposited at banks. In order to comply with the Notification of the Bank of Thailand applicable to the electronic card business, the balance of the deposit has to be maintained at the outstanding value of the cash cards on hands of the customers as the minimum.

**16 Borrowings**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<b>Current</b>				
Bank overdrafts	8,965	36,668	-	-
Short-term loans from financial institutions	532,200	764,800	-	200,000
<b>Total bank overdrafts and short-term loans from financial institutions</b>	<b>541,165</b>	<b>801,468</b>	<b>-</b>	<b>200,000</b>
Current portion of long-term borrowings:				
- Finance lease liabilities	70,266	1,336	307	298
- Bank borrowings	119,955	79,454	40,000	40,000
- Debenture	-	800,000	-	800,000
<b>Total current portion of long-term borrowings</b>	<b>190,221</b>	<b>880,790</b>	<b>40,307</b>	<b>840,298</b>
<b>Non-current portion</b>				
- Finance lease liabilities	479,960	24,036	21,242	21,402
- Bank borrowings	140,510	145,660	80,000	100,000
- Debenture	1,800,000	1,000,000	1,800,000	1,000,000
<b>Total non-current portion of long-term borrowings</b>	<b>2,420,470</b>	<b>1,169,696</b>	<b>1,901,242</b>	<b>1,121,402</b>
<b>Total borrowings</b>	<b>3,151,856</b>	<b>2,851,954</b>	<b>1,941,549</b>	<b>2,161,700</b>

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**16 Borrowings (Cont'd)**

The interest rate exposure on the borrowing of the Group and the Company (excluded finance leases liabilities) is as follows:

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>		<b>Company</b>	
	<b>30 June 2013</b>	<b>31 December 2012</b>	<b>30 June 2013</b>	<b>31 December 2012</b>
Borrowings:				
- at fixed rates	2,452,200	2,704,800	1,920,000	2,140,000
- at floating rates	149,430	121,782	-	-
	<u>2,601,630</u>	<u>2,826,582</u>	<u>1,920,000</u>	<u>2,140,000</u>

The movements in long-term borrowings (excluding finance lease liabilities) can be analysed as follows:

	<b>Unit: Baht'000</b>	
	<b>Consolidated</b>	<b>Company</b>
<b>For the six-month period ended 30 June 2013</b>		
Opening amount	225,114	140,000
Additions	78,901	-
Repayments	(43,550)	(20,000)
Closing amount	<u>260,465</u>	<u>120,000</u>

Long-term bank borrowings bear interest at the ranging from 4.00% to 4.60% per annum, and are secured by pledge of property, building, leasehold rights and operating lease contracts.

**Debentures**

	<b>Unit: Baht'000</b>
	<b>Consolidated and Company</b>
<b>For the six-month period ended 30 June 2013</b>	
Opening amount	1,800,000
Issue of debenture	800,000
Repayment of debenture	(800,000)
Closing amount	<u>1,800,000</u>

The Company issued unsubordinated debenture of Baht 800.00 million. The debenture is one-time return the principal on maturity date, unsecured, with a representative of the debenture holders. The term of the debenture is 3 years from the issuance date. The interest rate is 3.54% per annum. The Company received the considerations of Baht 800.00 million on 15 May 2013. The Company used proceeds from the debentures to settle the existing debenture of Baht 800.00 million on 17 May 2013.

**Borrowing facilities**

At 30 June 2013, the available credit facilities from financial institutions of the Group and the Company are Baht 5,078.37 million and Baht 4,575.00 million, respectively (31 December 2012: Baht 4,843.42 million and Baht 4,375.00 million, respectively). The facilities, mainly expiring within 3 years, are subject to review at various dates. The facilities have been arranged to mainly used for cinema construction and working capital.

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**17 Share capital and premium on share capital**

	Authorised number of shares Shares'000	Issued and fully paid up shares		
		Number of shares Shares'000	Ordinary shares Baht'000	Shares premium Baht'000
At 1 January 2013	904,501	887,576	887,576	3,919,499
At 30 June 2013	904,501	887,576	887,576	3,919,499

At 30 June 2013, the total authorised number of ordinary shares is 904.50 million shares (31 December 2012: 904.50 million shares) with a par value of Baht 1 per share (31 December 2012: Baht 1 per share).

At the Annual General Shareholders Meeting held on 3 April 2013, the shareholders approved to decrease the registered ordinary shares of the Company for Baht 904,500,990 to Baht 896,266,347 by reduction of 8,234,643 unissued ordinary shares at a par value of Baht 1 each totaling Baht 8,234,643 because of the expiration of warrants (ESOP-E3). The decreased ordinary shares have been registered with the Ministry of Commerce on 24 July 2013.

**18 Warrants**

**Warrants issued and offered to directors and employees (ESOP)**

The Company and a subsidiary issued and offered warrants to directors and employees (ESOP-W4 and ESOP-W1, respectively) of the Company and its subsidiaries, which are in registered form and are non-transferable. The warrants have no offered price and their terms do not exceed 5 years from the issued date.

	Unit: Baht'000	
	Consolidated	Company
<b>For the six-month period ended 30 June 2013</b>		
Opening balance	9,191	8,900
Amortisation	4,487	4,317
Closing balance	13,678	13,217

During the six-month period ended 30 June 2013, warrants have not been exercised due to a term of the first exercise of the warrants. Such warrants will be exercisable when the maturity date is reached which is two years from the date of issuance warrants. The exercise date will be on 30 June 2014.

During the six-month period ended 30 June 2013, there is no change in the condition of warrants (ESOP - W4 and ESOP - W1). However, the Company made a dividend payment higher than the dividend rate that met the condition as stipulated in the condition of warrants, resulted to change the exercise price and assumptions using the Black-Scholes valuation model as follows:

	The Company ESOP - W4	
	Original	As adjusted
Exercise price (Baht per share)	15.44	15.182
Exercise ratio (Unit per share)	1 : 1	1 : 1.017
<b>Variable</b>	<b>Original assumptions</b>	<b>Adjusted assumptions</b>
Fair value of warrant (Baht per option)	3.90 - 4.69	5.58 - 6.00
Volatility (%)	32.01 - 37.58	24.34 - 29.43
Dividend yield (%)	4.41 - 6.55	4.97 - 4.72
Weighted average share price at the grant date (Baht per share)	18.20	21.30
Expected option life (year)	2.22 - 4.22	1.33 - 3.33
Risk-free interest rate (%)	3.39 - 3.59	2.76 - 2.94

The Group and the Company recognised the amount of Baht 4.49 million and Baht 4.32 million, respectively, as an expense in the consolidated and company income statements with a corresponding credit to the consolidated and company equity.

## 19 Dividends

At the Board of Directors Meeting held on 15 February 2013, the directors passed a resolution to approve dividends in respect of the operation results for the period from July to December 2012 at Baht 0.48 per share, totalling Baht 425.95 million. The dividends were distributed to the shareholders listed in the register on 5 March 2013 that approved by the Annual Ordinary Shareholders Meeting on 3 April 2013. The dividend were distributed to the shareholders on 2 May 2013.

## 20 Commitments and contingencies

### i) Bank guarantees and letter of credits

As at 30 June 2013, there are outstanding bank guarantees and letter of credits given on behalf of the Group to third parties amounting to Baht 167.26 million (31 December 2012: Baht 183.57 million).

### ii) Guarantees

As at 30 June 2013, the Company and a subsidiary have given guarantees for bank loans granted to subsidiaries and an associate for a total of Baht 641.63 million (31 December 2012: Baht 681.71 million).

### iii) Operating lease commitments - where a Group is the lessee

The Company and its subsidiaries have commitment obligations in terms of long-term lease of land, buildings and service contracts. The future aggregate non-cancellable minimum lease and service payments under the contracts are as follows:

	Unit: Million Baht			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Not later than 1 year	783	766	520	499
Later than 1 year but not later than 5 years	3,077	3,093	2,000	2,032
Later than 5 years	4,902	5,235	2,300	2,503
	<u>8,762</u>	<u>9,094</u>	<u>4,820</u>	<u>5,034</u>

In addition to the minimum lease and service payments, the Group also has obligations in respect of lease of buildings and service contracts based on revenue sharing with the lessors.

### iv) Commitment from film productions

As at 30 June 2013, the Group has commitments in respect of payments to film directors amounting to Baht 10.72 million (31 December 2012: Baht 10.79 million).

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**21 Cash flows from operating activities**

Reconciliation of profit before income tax to cash flows from operating activities:

For the six-month period ended	Notes	Unit: Baht'000			
		Consolidated		Company	
		30 June 2013	30 June 2012	30 June 2013	30 June 2012
Profit before income tax		932,997	587,188	794,156	452,391
Adjustments for:					
Depreciation and amortisation	12, 14	515,952	559,180	142,826	144,482
Doubtful and bad debts	6	25,452	4,305	(38)	580
Loss on obsolescence	6	1,204	10,534	-	-
Provision for interest receivable		17	34	-	-
Loss on goods returns (reversal)	6	(92)	(11,848)	-	-
Impairment loss	6	4,760	3,728	-	-
Gain on disposals of equipment		(638)	(6,813)	(120)	(6,813)
Loss on write-off equipment	6	15,179	40,450	734	26,947
Gain on disposals of investment in associate	22	(221,482)	(86,398)	(238,005)	(103,375)
Gain on disposals of short-term investment		-	(3,404)	-	(3,404)
Shares of results of investment in associates and joint ventures	22	(101,348)	(112,741)	-	-
Cost of acquisition of subsidiary		8,291	-	-	-
Provision of liabilities on loyalty program		(1,600)	8,440	(1,600)	8,440
Employee benefit obligations		1,158	1,168	665	620
Warrants	18	4,487	2,675	4,317	2,500
Dividends income		-	(2,733)	(77,181)	(92,447)
Interest income		(8,212)	(12,770)	(35,712)	(44,898)
Finance costs		64,406	69,304	53,322	53,979
Changes in operating assets and liabilities:					
- trade and other receivables		148,754	(65,449)	30,554	53,252
- inventories		(12,380)	(9,196)	(14,197)	157
- movies under productions		(25,370)	(3,904)	-	-
- other current assets		(48,878)	4,987	29,320	4,883
- finance lease receivables		45	35	-	-
- long-term accounts receivable		9,903	9,157	9,903	9,157
- other non-current assets		93,012	9,163	(15,761)	11,250
- trade and other payables		(74,948)	(28,039)	53,053	(2,289)
- other current liabilities		(67,750)	(6,347)	6,149	(4,769)
- other non-current liabilities		15,801	(13,311)	25,133	2,498
Cash flows generated from operating activities		<u>1,278,720</u>	<u>947,395</u>	<u>767,518</u>	<u>513,141</u>

**22 Investments in subsidiaries, associates and interest in joint ventures**

**22.1) Investment in subsidiaries**

Movements of investment in subsidiaries can be analysed as follows:

	<b>Unit: Baht'000</b>
	<b>Company</b>
Opening net book amount	2,441,267
<u>Less</u> Impairment	<u>(3,000)</u>
Closing net book amount	<u><u>2,438,267</u></u>
<b>For the six-month period ended 30 June 2013</b>	
Opening net book amount	2,351,200
Additions	97,687
Share reductions	<u>(10,620)</u>
Closing net book amount	<u><u>2,438,267</u></u>

**Additional of investment in subsidiaries**

**Digital Projector Management Co., Ltd. (“DPM”)**

On 3 May 2013, the Company has purchased 99.99% of shares in DPM, a service provider for projector and system management, totalling Baht 5.00 million.

**Major Holding International Co., Ltd. (“MHD”)**

On 8 January 2013, the Company has purchased 99.99% of shares in MHD, a holding company, totalling Baht 1.00 million.

**M Picture Entertainment Public Company Limited (“MPIC”)**

During the six-month period ended 30 June 2013, the Company has made additional investment in MPIC of 41.66 million shares totalling Baht 91.69 million. The acquisition resulted in the change in shareholding percentage from 67.86% to 74.36%. The difference from additional investment of Baht 86.72 million was recognised as “Discount from business combination under common control” in the consolidated shareholders’ equity.

**Share reduction of subsidiaries**

**Chiangmai Cineplex Co., Ltd. (“CMC”)**

The shareholders of CMC have approved to decrease the registered share capital from par value of Baht 25 per share to Baht 7 per share for 200,000 shares, totalling Baht 3.60 million. The Company received a share reduction totalling Baht 3.60 million on 2 January 2013.

**Udon Five Star Cineplex Co., Ltd. (“UDF”)**

The shareholders of UDF have approved to decrease the registered share capital from par value of Baht 25 per share to Baht 7 per share for 390,000 shares, totalling Baht 7.02 million. The Company received a share reduction totalling Baht 7.02 million on 2 January 2013.

**22 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)**

**22.2) Investment in associates**

Movements of investment in associates can be analysed as follows:

	<b>Unit: Baht'000</b>	
	<b>Consolidated</b>	<b>Company</b>
<b>For the six-month period ended 30 June 2013</b>		
Opening net book amount	1,883,886	1,716,422
Effect from change in accounting policy (Note 4.1)	(107,386)	-
Balance after adjustment	1,776,500	1,716,422
Acquisitions	337,660	337,660
Disposals	(91,545)	(75,022)
Dividends received	(77,181)	-
Share of results	95,987	-
Closing net book amount	<u>2,041,421</u>	<u>1,979,060</u>

During the six-month period ended 30 June 2013, the Company received dividends income from associates amounting to Baht 77.18 million (30 June 2012: Baht 68.53 million), which was recognised in "Other income" in the company income statement and recognised in "Investment in associates" in the consolidated statement of financial position.

**Siam Future Development Public Company Limited ("SF")**

**Additional of investment in associate**

During the six-month period ended 30 June 2013, the Company has made additional investment in SF of 72.90 million shares totalling Baht 337.66 million.

**Disposal of investment in associate**

During the six-month period ended 30 June 2013, the Company disposed its investment in SF of 30.52 million shares for the considerations of Baht 313.03 million and recognised gain from disposal amounting to Baht 221.48 million, and Baht 238.00 million, which included in "Other income" in the consolidated and company income statements, respectively.

The aforesaid additional and disposal of investment resulted in the change to shareholding percentage from 20.49% to 21.43%.

**22 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)**

**22.3) Interest in joint ventures**

Movements of interest in joint ventures can be analysed as follows:

	<b>Unit: Baht'000</b>	
	<b>Consolidated</b>	<b>Company</b>
<b>For the six-month period ended 30 June 2013</b>		
Opening net book amount	238,164	216,793
Effect from change in accounting policy (Note 4.1)	(2,960)	-
Balance after adjustment	235,204	216,793
Additions	38,697	38,697
Share of results	5,361	-
Closing net book amount	<u>279,262</u>	<u>255,490</u>

**22.4) The details of investments in subsidiaries, associates and interest in joint ventures are as follows:**

<b>Subsidiaries</b>	<b>Nature of business</b>	<b>Nature of relationship</b>	<b>% Ownership interest</b>
Major Cineplex Property Co., Ltd.	Building space for rent	Shareholder	99.99
Major Cineplex Services Co., Ltd.	Utilities services	Shareholder	99.99
Chiangmai Cineplex Co., Ltd.	Cinema services	Shareholder	99.99
Rachayothin Management Co., Ltd.	Utilities services	Shareholder	99.99
Rachayothin Cinema Co., Ltd.	Cinema services	Shareholder	99.99
Rachayothin Realty Co., Ltd.	Building space for rent	Shareholder	99.99
Major Bowl Group Co., Ltd.	Bowling, Karaoke and entertainment services	Shareholder	99.99
Major Cinead Co., Ltd.	Advertising and advisory services	Shareholder	99.93
Bangkok Imax Theater Co., Ltd.	Cinema services	Shareholder	99.93
Udon Five Star Cineplex Co., Ltd.	Cinema services	Shareholder	99.99
Siam Cineplex Co., Ltd.	Cinema services	Shareholder	99.99
EGV Entertainment Public Company Limited ("EGV")	Cinema services	Shareholder	99.98
M Picture Entertainment Public Company Limited ("MPIC")	Publishing, advertising and distribution of film rights	Shareholder	74.36
Talent One Co., Ltd.	Film production and services for all forms of entertainment	Shareholder	80.00
Major Holding International Co., Ltd.*	Holding business	Shareholder	99.96
Digital Projector Management Co., Ltd.	Projector rental and system management	Shareholder	99.99



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**22 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)**

**22.4) The details of investments in subsidiaries, associates and interest in joint ventures are as follows:**  
(Cont'd)

<b>Subsidiaries</b>	<b>Nature of business</b>	<b>Nature of relationship</b>	<b>% Ownership interest</b>
<b>Subsidiaries under EGV</b>			
Entertain Golden Village Exhibition Co., Ltd.	Cinema services, advertising services	Indirect shareholding	99.96
EGV Exhibition Co., Ltd.	Cinema services, advertising services, area for rent	Indirect shareholding	99.96
EGV Five Star Co., Ltd.	Cinema services, advertising services	Indirect shareholding	99.96
<b>Subsidiaries under MPIC</b>			
TV Forum Co., Ltd.	Television media business	Indirect shareholding	74.36
M Picture Co., Ltd.	Distribution of film rights for cinema services, VCD/DVD production and TV broadcast	Indirect shareholding	74.36
M.V.D. Co., Ltd. (“MVD”)	Distribution of VCD/DVD and film rights	Indirect shareholding	74.36
M Thirtynine Co., Ltd.	Studio movie production	Indirect shareholding	74.36
<b>Subsidiary under MVD</b>			
Pacific Media Sale Co., Ltd.	Distribution of tape, CD, VDO, VCD and DVD	Indirect shareholding	73.91
* New company established in this period.			
<b>Associates</b>			
Siam Future Development Public Company Limited (“SF”)	Rental of building space and utilities services	Shareholder	21.43
Ratchayothin Avenue Co., Ltd.	Rental of building space and utilities services	Shareholder Indirect shareholding via SF	50.00 10.72
Major Cineplex Lifestyle Leasehold Property Fund	Rental of building and utilities services	Shareholder	33.00
Thaiticketmajor Co., Ltd.	Agent for selling of tickets	Shareholder	40.00
<b>Joint ventures</b>			
PVR blu-O Entertainment Limited (“PVR blu-O”)	Bowling, Karaoke and entertainment	Shareholder	49.00
Major Kantana Broadcasting Company Limited	Cable television services	Shareholder	44.99
K Arena Co.,Ltd.	Karaoke services	Shareholder	50.00

All subsidiaries, associates are incorporated in Thailand except PVR blu-O, which is incorporated in India. All holdings are investments in ordinary shares and investment unit in the Property Fund.

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**23 Non-controlling interest**

	<b>Unit: Baht'000</b>
	<b>Consolidated</b>
	<b>30 June 2013</b>
Opening balance	87,145
Purchase of investment from non-controlling interest	(4,966)
Share of loss	(17,564)
Closing balance	<u>64,615</u>

**24 Related party transactions**

The significant investments in subsidiaries, associates and joint ventures are set out in Note 22.

Other related companies are companies belonging to directors and directors' family of the Company therefore accounted for related parties.

The following significant transactions were carried out with related parties:

**i) Sales of goods and services and others**

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>		<b>Company</b>	
<b>For the three-month period ended 30 June</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Sales of goods and services</b>				
Subsidiaries	-	-	71,630	89,672
Associates	1,774	595	24,772	3,789
Leasehold Property Fund	15,737	16,292	36,419	36,946
Joint Ventures	1,344	1,254	120	326
Related parties	20,773	19,030	1,520	5,210
	<u>39,628</u>	<u>37,171</u>	<u>134,461</u>	<u>135,943</u>
<b>Sale of equipment</b>				
Subsidiaries	-	-	59	-
	<u>-</u>	<u>-</u>	<u>59</u>	<u>-</u>

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**24 Related party transactions (Cont'd)**

**i) Sales of goods and services and others (Cont'd)**

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>For the six-month period ended 30 June</b>				
<b>Sales of goods and services</b>				
Subsidiaries	-	-	140,059	154,907
Associates	2,599	1,586	25,307	16,255
Leasehold Property Fund	30,339	31,390	71,857	72,292
Joint Ventures	2,565	1,535	245	446
Related parties	40,581	35,758	3,021	7,741
	<u>76,084</u>	<u>70,269</u>	<u>240,489</u>	<u>251,641</u>
<b>Sale of equipment</b>				
Subsidiaries	-	-	59	-
Joint Ventures	-	17,346	-	7,160
	<u>-</u>	<u>17,346</u>	<u>59</u>	<u>7,160</u>

**ii) Purchases of goods and services and others**

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>For the three-month period ended 30 June</b>				
<b>Purchases of goods and services</b>				
Subsidiaries	-	-	57,791	40,228
Associates	13,144	10,889	11,588	8,300
Leasehold Property Fund	37,509	35,115	30,596	25,793
Joint Ventures	20	-	20	-
Related parties	38,313	36,644	35,327	29,015
	<u>88,986</u>	<u>82,648</u>	<u>135,322</u>	<u>103,336</u>
<b>Purchases of fixed assets</b>				
Subsidiaries	-	-	27	-
	<u>-</u>	<u>-</u>	<u>27</u>	<u>-</u>
<b>Management's remunerations</b>				
Management	11,417	11,307	7,154	6,029
	<u>11,417</u>	<u>11,307</u>	<u>7,154</u>	<u>6,029</u>

**Major Cineplex Group Public Company Limited**  
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**24 Related party transactions (Cont'd)**

**ii) Purchases of goods and services and others (Cont'd)**

For the six-month period ended 30 June	Unit: Baht'000			
	Consolidated		Company	
	2013	2012	2013	2012
<b>Purchases of goods and services</b>				
Subsidiaries	-	-	108,800	91,536
Associates	23,063	21,283	19,299	15,905
Leasehold Property Fund	73,595	70,101	56,867	51,318
Joint Ventures	20	-	20	-
Related parties	69,045	62,258	63,924	52,233
	<u>165,723</u>	<u>153,642</u>	<u>248,910</u>	<u>210,992</u>
<b>Purchases of fixed assets</b>				
Subsidiaries	-	-	27	-
	<u>-</u>	<u>-</u>	<u>27</u>	<u>-</u>
<b>Management's remunerations</b>				
Management	21,831	24,226	12,753	13,550
	<u>21,831</u>	<u>24,226</u>	<u>12,753</u>	<u>13,550</u>

**iii) Outstanding balances arising from sales/purchases of goods/services and others**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<b>Trade accounts receivable</b> (included unbilled receivables)				
Subsidiaries	-	-	149,293	130,858
Associates	9,381	3,984	3,990	1,075
Joint venture	843	1,647	339	436
Related parties	28,091	3,230	252	253
	<u>38,315</u>	<u>8,861</u>	<u>153,874</u>	<u>132,622</u>
<b>Amounts due from related parties</b>				
Subsidiaries	-	-	295,631	258,704
Associates	19,406	22,812	5,382	6,945
Joint venture	4,340	10,173	3,845	4,110
Related parties	17,291	10,919	10,991	10,441
	<u>41,037</u>	<u>43,904</u>	<u>315,849</u>	<u>280,200</u>

**Major Cineplex Group Public Company Limited**  
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**24 Related party transactions (Cont'd)**

**iii) Outstanding balances arising from sales/purchases of goods/services and others (Cont'd)**

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<b>Deposit</b> (included in "Other non-current assets")				
Associates	8,979	8,979	3,460	3,460
Related parties	1,400	2,600	1,400	2,600
	<u>10,379</u>	<u>11,579</u>	<u>4,860</u>	<u>6,060</u>
<b>Finance lease receivables</b>				
Related parties	1,804	1,827	-	-
	<u>1,804</u>	<u>1,827</u>	<u>-</u>	<u>-</u>
<b>Trade accounts payable</b> (included in "Trade accounts and notes payable")				
Subsidiaries	-	-	111,781	86,435
Associates	10,645	9,130	7,776	7,723
Joint venture	5	-	5	-
Related parties	1,215	1,056	1,011	952
	<u>11,865</u>	<u>10,186</u>	<u>120,573</u>	<u>95,110</u>
<b>Other payables</b> (included in "Amounts due to related parties")				
Subsidiaries	-	-	62,045	83,396
Associates	8,677	22,404	7,768	21,286
Joint venture	1,815	2,186	3	139
Related parties	26,277	6,960	20,171	6,414
Board	1,902	3,842	1,300	3,300
	<u>38,671</u>	<u>35,392</u>	<u>91,287</u>	<u>114,535</u>

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**24 Related party transactions (Cont'd)**

**iii) Outstanding balances arising from sales/purchases of goods/services and others (Cont'd)**

	<b>Unit: Baht'000</b>			
	<b>Consolidated</b>		<b>Company</b>	
	<b>30 June 2013</b>	<b>31 December 2012</b>	<b>30 June 2013</b>	<b>31 December 2012</b>
<b>Advance received for rental And services</b> (included in "Other non-current liabilities")				
Associate	28,626	29,150	-	-
Related parties	16,334	17,090	-	-
	<u>44,960</u>	<u>46,240</u>	<u>-</u>	<u>-</u>
<b>Deposits received</b> (included in "Other non-current liabilities")				
Subsidiaries	-	-	983	983
Associates	120,003	120,003	-	-
Related parties	5,243	5,796	135	135
	<u>125,246</u>	<u>125,799</u>	<u>1,118</u>	<u>1,118</u>
<b>Finance lease liabilities</b> (included in "Long-term borrowings")				
Associates	12,320	12,253	12,320	12,253
Related parties	8,214	8,169	8,214	8,169
	<u>20,534</u>	<u>20,422</u>	<u>20,534</u>	<u>20,422</u>

**iv) Short-term loans to related parties**

The short-term loans to related parties are loans to fellow subsidiaries of Major Cineplex Group Public Company Limited ("Major's Group") for the use of financing to other Major's Group companies. The short-term loans to related parties as at 30 June 2013 comprise unsecured loans repayable within 1 month which carry interest at the rate of 4.00% per annum.

The movements of short-term loans to related parties are shown below.

	<b>Unit: Baht'000</b>
<b>For the six-month period ended 30 June 2013</b>	<b>Company</b>
Opening balance	462,148
Loans borrowed during the period	548,014
Loans repaid during the period	<u>(548,887)</u>
Closing balance	<u>461,275</u>

The related interest income in the company income statement was Baht 8.88 million. As at 30 June 2013, the accrued interest income in the company statement of financial position was Baht 1.47 million.

**24 Related party transactions (Cont'd)**

**v) Long-term loans to related parties**

<b>For the six-month period ended 30 June 2013</b>	<b>Unit: Baht'000</b>	
	<b>Consolidated</b>	<b>Company</b>
<b>Subsidiaries and associates and employees</b>		
Opening balance	6,612	1,006,613
Loans made during the period	16	240,016
Loans repayments during the period	(2,200)	(290,604)
Closing balance	<u>4,428</u>	<u>956,025</u>

The long-term loans to related parties are carrying interest at the rate of 4.00% per annum and there is no specific repayment date.

The interest income in the consolidated and company income statements were Baht 0.19 million and Baht 5.74 million, respectively. As at 30 June 2013, the accrued interest income in the company statement of financial position were Baht 149.86 million.

**vi) Short-term loans from related parties**

The short-term loans from related parties are loans from fellow subsidiaries of Major Cineplex Group Public Company Limited ("Major's Group") for the use of financing from other Major's Group companies. The short-term loans from related parties as at 30 June 2013 were Baht 607.61 million comprise unsecured loans payable within 1 month which carry interest at the rate of 4.00% per annum.

The movements of short-term loans from related parties are shown below.

<b>For the six-month period ended 30 June 2013</b>	<b>Unit: Baht'000</b>
	<b>Company</b>
Opening balance	467,778
Loans borrowed during the period	618,946
Loans repaid during the period	(479,117)
Closing balance	<u>607,607</u>

The related interest expense in the company income statement was Baht 10.88 million. As at 30 June 2013, the accrued interest expense in the company statement of financial position was Baht 1.81 million.

**vii) Short-term loans from related parties**

The short-term loans from related parties are call promissory notes from an associate amounting to Baht 25.00 million which carry interest at the rate of 3.10% per annum.

The movements of short-term loans from related parties are shown below.

<b>For the six-month period ended 30 June 2013</b>	<b>Unit: Baht'000</b>	
	<b>Consolidated</b>	<b>Company</b>
Opening balance	-	-
Loans borrowed during the period	25,000	25,000
Closing balance	<u>25,000</u>	<u>25,000</u>

The related interest expense in the consolidated and company income statements and accrued interest expense in the consolidated and the company statements of financial position were Baht 0.09 million.

**25 Information on quality of assets**

The quality of assets classified in accordance with the guidelines of the Securities Exchange Commission are as follows:

	Unit: Baht'000			
	Consolidated		Company	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<b>Trade account receivable</b>				
Trade account receivable (net of deposit received from customer)	-	6,549	-	1,069
<u>Less</u> Allowance for doubtful account	-	(6,549)	-	(1,069)
Trade account receivable, net	-	-	-	-

**26 Events after the reporting date**

**26.1 Dividend payment**

At the Board of Directors meeting No. 3/2556 held on 9 August 2013, the directors passed the resolution to approve interim dividends in respect of the operating results for the period from January to June 2013 at Baht 0.50 per share, totaling Baht 443.79 million. The dividend will be distributed to shareholders listed in the register on 28 August 2013. The dividends will be distributed to the shareholders on 6 September 2013.

**26.2 Tender offer proposal**

At the Board of Director meeting No. 2/2556 held on 10 May 2013, the directors passed the resolution to dispose its investment in a subsidiary, Talent One Co., Ltd, and a joint venture, Major Kantana Boardcasting Co., Ltd., to another subsidiary, M Picture Entertainment Public Company Limited ("MPIC"), by swapping the newly issued ordinary shares of 16,580,000 shares of MPIC, at the considerations of Baht 44.99 million. The Company has received the newly issued ordinary shares of MPIC pursuant to the share swap and the share swap transaction have been completed according to the approved resolution of the Extraordinary General Shareholders meeting No.1/2556 of MPIC held on 30 July 2013. Moreover, the Sales Purchase Agreements are signed and the precedent conditions as stipulated in the Sales Purchase Agreements have been fulfilled on 31 July 2013.

As a result of the share swap transaction, the Company held more than 75% of investment in MPIC and already proposed a tender offer as required by the Announcement No.๗๑. 12/2554 of the Securities Exchange Commission. The tender offer is scheduled between 5 August 2013 to 9 September 2013.